

RD AN No. 4575 (1980-D)
May 23, 2011

TO: State Directors
Rural Development

ATTENTION: Housing Program Directors,
Guaranteed Loan Specialists,
Area Directors and Area Specialists

FROM: Tammye Treviño *(Signed by Tammye Treviño)*
Administrator
Housing and Community Facilities Programs

SUBJECT: Single Family Housing Guaranteed Loan Program
Origination and Closing - Lender's Documentation

PURPOSE/INTENDED OUTCOME:

The purpose of this Administrative Notice (AN) is to provide a uniform method of required documentation to obtain a Loan Note Guarantee. The intent is to promote consistency nationwide by allowing to efficiently respond to applications received in accordance with Sections 1980.354 and 1980.363, of RD Instruction 1980-D.

COMPARISON WITH PREVIOUS AN:

No previous AN has been issued on this subject.

EXPIRATION DATE:
May 31, 2012

FILING INSTRUCTIONS:
Preceding RD Instruction 1980-D

BACKGROUND:

In an effort to respond to approved lenders requests for uniformity and consistency among offices nationwide, three optional tools have been developed for use by lenders. Attachment A to this AN, “Worksheet for Documenting Annual and Repayment Income” may be used by lender’s to document their determination of program eligible and repayment income. Attachment B, “Lender’s Origination Submission Checklist,” may be used by a lender’s to assemble the supporting documentation addressing loan eligibility when requesting Form RD 1980-18, “Conditional Commitment for Single Family Housing Loan Guarantee. “ Attachment C, “Lender’s Loan Closing Submission Checklist and Cover for Guarantee Request,” can be used by lenders to assemble the documentation confirming closing conditions have been met in accordance with issuance of Form RD 1980-18. Use of the attachments is not mandatory.

IMPLEMENTATION RESPONSIBILITIES:

Documentation of Annual, Adjusted and Repayment Income

Program Eligibility – Qualifying the Household. In fulfilling the basic program objective of the Single Family Housing Guaranteed Loan Program (SFHGLP), lenders must ensure the applicant’s adjusted annual household income, determined in accordance with Section 1980.348, of RD Instruction 1980-D, does not exceed the applicable income limit published in Exhibit C at issuance of Form RD 1980-18. The determination of adjusted annual household income begins with the calculation of annual income. The calculation of annual income is used to determine if the household’s income is eligible for the SFHGLP. Income received by the applicant and all adult members of the household is considered in the calculation of annual income. Current verified income and family circumstances should be used to estimate the household’s annual income over the coming 12 months, unless there is verifiable evidence of a likely change in circumstances or historical data does not support current income. Use the gross amount, before any payroll deductions, of base wages and salaries, overtime pay, commissions, fees, tips, bonuses, housing allowances and other compensations for personal services of all adult members of the household.

In order for the Agency to confirm that the household is eligible for assistance under the SFHGLP, the lender’s file must thoroughly document all relevant information used to make the determination. Once the income source is verified, the lender must project the expected income from this source for the next 12 months. This projection should be based on a comparison and analysis of the figures derived to establish earning trends and avoid underestimating annual income for the household. The calculation of annual income must be the most representative of income likely to be received during the next 12 months. Conservatively selecting the lowest projected income figure without analysis is not acceptable. The following methods represent examples of calculating annual income. Regardless of the method utilized, the lender’s mortgage file must contain written documentation on how the lender calculated annual income.

- **Straight** is based upon the benefit or wage amount and converted to the annual equivalent. An example of an employed applicant who is paid hourly and works 40 hours per week would be derived by multiplying the hourly wage by 2080 hours (for part-time employment use anticipated annual hours). If paid weekly, the weekly wage is multiplied by 52 weeks. Bi-weekly paid employee’s wages are multiplied by 26 weeks and a monthly wage multiplied by 12 months. For example: \$20/hour x 2080 hours per year (40 hours/week x 52 weeks/year) = \$41,600. Overtime paid at \$30/hour x 50 hours/year = \$1,500. Total wages in this example: \$43,100.

- **Average** the income reported on the benefit statements or pay stubs for the last 30 days and convert to the annual equivalent. For example – the applicant is paid monthly. The gross income received in the past 30 days is \$5,192 as verified by pay stubs. Multiply \$5,192 by 12 to arrive at the annual income of the household- $\$5,192 \times 12 = \$62,304$.
- **Year-to-date (Year-To-Date)** gross earnings divided by the YTD interval, which is the number of calendar days elapsed between January 1 of the current year and the last date of the most recent income verification, multiplied by 365. The YTD interval should be closely examined to determine the appropriateness of this method. Lenders should not use this method if the earning activity during the YTD interval is insufficient to make an annual projection or does not reflect the likely earning activity for the period outside the YTD interval (the time between the last date covered by the most recent income verification and December 31 of the current year). For example, the applicant worked 230 days to date (e.g. August 18) and income earned during that time period is \$40,000. Divide \$40,000 by 230 days, arrive at \$173.91/day, and multiply by 365 to arrive at the annual income of \$63,477.15.
- **Historical** income as reported on the previous year's tax return is used. Consider the time of year and the reasonableness of this approach. For example, if the income documentation submitted is for January of the current calendar year, the historical data from the previous year may be utilized.

Repayment Income – Qualifying the Loan Request. Lenders use repayment income to determine whether the applicant(s) has sufficient income to repay the mortgage in addition to other recurring debts. Annual income often differs from the lender's determination of repayment income, as expanded upon at Sections 1980.345(b) and 1980.345(c) of RD Instruction 1980-D. The anticipated amount of income, and its likelihood of continuance, must be established to determine the applicant's capacity to repay the loan. The determination of stable and dependable income remains the lender's responsibility. The Guaranteed Underwriting System (GUS) does not evaluate the stability and dependability of repayment income in the overall risk evaluation. The lender must determine the history and stability of earnings prior to entering repayment income into GUS.

Documentation. For manually underwritten loans, including those loans that receive a "Refer" or "Refer with Caution" underwriting recommendation when utilizing GUS, the loan application package forwarded to the Agency must include copies of income verification documents. In addition, the lender should submit documentation to support their calculations for repayment income and adjusted annual income which determines if the household is eligible for a SFHGLP.

The lender's permanent case file must retain supporting documentation that Agency guidelines have been met. To assist lenders with a consistent, uniform method of documenting their determination of household income for program eligibility and repayment of the loan request, Attachment A to this AN has been developed. It is intended to provide lenders a specific format for documenting their income determination from the various household income sources. An example of a completed Attachment A follows the attachment.

Loan Note Guarantee Commitment - Origination

RD Instruction 1980-D, Section 1980.353(c) outlines the Lender process for submitting an application for loan note guarantee with to the Agency. A list of application items required to review and respond to a lender's request for guarantee is outlined. The Agency considers complete applications in the date order received from approved lenders. To assist lenders in assembling and providing the Agency required documentation of the addressing loan eligibility requirements of the SFHGLP, Attachment B has been developed for use by approved lenders. Complete documentation assures the Agency can respond to the lenders request within the review timeframe provided at Section 1980.354 of RD Instruction 1980-D.

Loan Note Guarantee – Loan Closing

Sections 1980.360, 1980.361, and 1980.363, of RD Instruction 1980-D provide guidance to lenders and Agency employees for issuance of the Loan Note Guarantee. The Agency recognizes the necessity to timely respond to a lenders request. In order to assure the lender has complete documentation representing closing conditions of Form RD 1980-18 have been met, Attachment D to this AN provides a uniform and consistent format for assembling and submitting the lender's request for Loan Note Guarantee. The checklist is formatted with one column representing the manual method of requesting a guarantee, while the remaining column is available to the pilot lender submitting electronic loan closings. The Agency intends to expand the electronic loan closing pilot with other lenders upon implementation of further enhancements.

By providing a complete package, lenders are assuring the Agency can issue the Loan Note Guarantee within the time frames described at Section 1980.361(a) of RD Instruction 1980-D.

Summary

With publication of this AN, states will discontinue the use and dissemination of all state developed forms regarding income documentation, origination or closing checklists. By implementation of the optional attachments States will assist in obtaining uniformity and consistency among states nationwide.

State Offices or lenders with questions regarding this AN should contact the Single Family Housing Guaranteed Loan Division at (202)720-1452, or by email at: SFHGLD.PROGRAM@wdc.usda.gov or the guaranteed coordinator in your state. A list of guaranteed coordinators may be found at: <http://eligibility.sc.egov.usda.gov/eligibility/welcomeAction.do>. At the menu, select "Contact Us – Guaranteed."

Attachment

WORKSHEET FOR DOCUMENTING ANNUAL and REPAYMENT INCOME

| | | |
|---|--|----|
| Applicant(s) Name | | |
| ANNUAL INCOME CALCULATION (Consider anticipated income for the next 12 months for <u>all</u> adult household members as described in §1980.347 of RD Instruction 1980-D.) Website for instructions/administrative notices: http://www.rurdev.usda.gov/regs/ | | |
| 1. Applicant (Base Income: Primary Employment from Wages, Salary, Self-Employed) | \$ | |
| 2. Co-Applicant (Base Income: Primary Employment from Wages, Salary, Self-Employed) | \$ | |
| 3. Additional Adult Household Member (s) (Base Income: Primary Employment from Wages, Salary, Self-Employed, Additional income to Primary Employment, Other Income) | \$ | |
| 4. Additional Income to Primary Employment (Commission, Bonus, Overtime, Automobile Allowance, Mortgage Differential, Tips, Military, Secondary Employment, Seasonal Employment, Unemployment) | \$ | |
| 5. Other Income (Alimony, Child Support, y, Pension/Retirement, Social Security, Disability, Trust Income, Notes Receivable, etc.) | \$ | |
| 6. Asset Income (Income from household assets as described in §1980.347(d) of RD Instruction 1980-D) | \$ | |
| 7. Annual Household Income (Total 1 through 6) | | \$ |
| ADJUSTED INCOME CALCULATION (Consider qualifying deductions as described in §1980.348 of RD Instruction 1980-D) | | |
| 8. Dependent Deduction (\$480 for each child under age 18, or full-time student attending school or disabled family member over the age of 18) - # _____ x \$480 | \$ | |
| 9. Annual Child Care Expenses (Reasonable expenses for children 12 and under) | \$ | |
| 10. Elderly Household (\$400 if 62 years of age or older, or disabled and a party to the note) | \$ | |
| 11. Disability (Unreimbursed expenses in excess of 3% of annual income. See §1980.348(d) of RD Instruction 1980-D for eligibility) | \$ | |
| 12. Medical Expenses (Elderly households only. Unreimbursed medical expenses in excess of 3% of annual income. See §1980.348(d)(1) of RD Instruction 1980-D for further information) | \$ | |
| 13. Total Household Deductions (Enter total 8 through 12) | | \$ |
| 14. Adjusted Annual Income (Item 7 minus item 13) Income cannot exceed Moderate Income Limit to be eligible for SFHGLP | | \$ |
| 15. Household Size _____ State _____ County _____ | Moderate Income Limit (If less than Item 14, applicant is over the income limit) <input type="checkbox"/> Applicants Eligible for SFHGLP | \$ |
| MONTHLY REPAYMENT INCOME CALCULATION (Consider stable and dependable income of parties to the note as described in §1980.345(a), 1980.345(b) and 1980.345(c) of RD Instruction 1980-D). | | |
| 16. Stable Dependable Monthly Income (Parties to note only) | \$ | |
| 17. Other Stable Dependable Monthly Income not Included in Annual Income Calculation (Example: Foster Adult/Child Care Income, Gross-up non-taxable income) | \$ | |
| 18. Monthly Repayment Income (Enter total of 16 through 17) | | \$ |

See Page 2 for documentation of a written analysis.

Date: _____ Prepared by: _____ Lender: _____
Name/Title

Page 2 –Worksheet for Documenting Annual and Repayment Income

| |
|-------------------|
| |
| Applicant(s) Name |

Written Analysis Documenting Annual and Repayment Income:

EXAMPLE: WORKSHEET FOR DOCUMENTING ANNUAL and REPAYMENT INCOME

| | | |
|---|-------------|-------------|
| Applicant(s) Name David and Betsy Example | | |
| ANNUAL INCOME CALCULATION (Consider anticipated income for the next 12 months for <u>all</u> adult household members as described in §1980.347 of RD Instruction 1980-D). Website for instructions/administrative notices: http://www.rurdeve.usda.gov/regs/ | | |
| 2. Applicant (Base Income: Primary Employment from Wages, Salary, Self-Employed) | | |
| David - \$1,250/wk x 52 = \$65,000 | \$65,000.00 | |
| 19. Co-Applicant (Base Income: Primary Employment from Wages, Salary, Self-Employed) | | |
| Betsy - \$15.50/hr x 20 hrs/wk x 52 = \$16,120 | \$16,120.00 | |
| 20. Additional Adult Household Member (s) (Base Income: Primary Employment from Wages, Salary, Self-Employed, Additional Income to Primary Employment, Other Income) | | |
| Cynthia- \$800/month x 12 = \$9,600; Janet (over 18/working – count all income) - \$600/month x 12 = \$7,200 | \$16,800.00 | |
| 21. Additional Income to Primary Employment (Commission, Bonus, Overtime, Automobile Allowance, Mortgage Differential, Tips, Military, Secondary Employment, Seasonal Employment, Unemployment) | \$ | |
| 22. Other Income (Alimony, Child Support, y, Pension/Retirement, Social Security, Disability, Trust Income, Notes Receivable, etc.) | \$ 1,200.00 | |
| Betsy – child support - \$100 x 12 = \$1,200 | | |
| 23. Asset Income (Income from household assets as described in §1980.347(d) of RD Instruction 1980-D). | \$ 540.00 | |
| Savings Account(David); Certificate of Deposit – Actual Annual Income Received | | |
| 24. Annual Household Income (Total 1 through 6) | | \$99,660.00 |
| ADJUSTED INCOME CALCULATION (Consider qualifying deductions as described in §1980.348 of RD Instruction 1980-D.). | | |
| 25. Dependent Deduction (\$480 for each child under age 18, or full-time student attending school or disabled family member over the age of 18) - # <u>(3)</u> x \$480 | \$ 1,440.00 | |
| 26. Annual Child Care Expenses (Reasonable expenses for children 12 and under) | \$ 2,600.00 | |
| 27. Elderly Household (\$400 if 62 years of age or older, or disabled and a party to the note) | \$ | |
| 28. Disability (Unreimbursed expenses in excess of 3% of annual income. See §1980.348(d) of RD Instruction 1980-D for eligibility) | \$ | |
| 29. Medical Expenses (Elderly households only. Unreimbursed medical expenses in excess of 3% of annual income. See §1980.348(d)(1) of RD Instruction 1980-D for further information) | \$ | |
| 30. Total Household Deductions (Enter total 8 through 12) | | \$ 4,040 |
| 31. Adjusted Annual Income (Item 7 minus item 13) Income cannot exceed Moderate Income Limit to be eligible for SFHGLP | | \$95,620.00 |
| State <u>Oklahoma</u> | | |
| 32. Household Size <u>(5)</u> County <u>Washington</u> Moderate Income Limit (If less than Item 14, applicant is over the income limit) <input checked="" type="checkbox"/> Applicants Eligible for SFHGLP | | \$97,750.00 |
| MONTHLY REPAYMENT INCOME CALCULATION (Consider stable and dependable income of parties to the note as described in §1980.345(a), 1980-345(b) and 1980.345(c) of RD Instruction 1980-D). | | |
| 33. Stable Dependable Monthly Income (Parties to note only) | \$6,860.00 | |
| 34. Other Stable Dependable Monthly Income not Included in Annual Income Calculation (Example: Foster Adult/Child Care Income, Gross-up non-taxable income) | \$ 800.00 | |
| 35. Monthly Repayment Income (Enter total of 16 through 17) | | \$7,660.00 |

Date: _____ [date] Prepared by: _____ [Name/Title] Lender: _____ [Lender]
Name/Title

| | |
|-------------------|-------------------------|
| | |
| Applicant(s) Name | David and Betsy Example |

Written Analysis Documenting Annual and Repayment Income:

Example Case Study – Documenting Annual and Repayment Income

Household members:

| <i>Name</i> | <i>Relationship</i> | <i>Comments</i> | <i>Household Income, Assets and Expenses</i> |
|-----------------|---------------------|--|--|
| David Example | Head of Household | Employed, party to note | \$1,250/week wages; Savings account balance \$2,000, annual interest income \$140; Checking account balance (2 month average) \$300, noninterest bearing account; Certificate of Deposit, cash value \$4,000, interest income \$400 annually |
| Betsy Example | Spouse | Employed, party to note | \$15.50/hr wages – working 20 hours week; \$100/month child support from her ex-husband (Janet's father) |
| Cynthia Example | David's mother | Disabled, moved in when husband died | \$800/month Social Security benefits and \$600 in a noninterest bearing checking account |
| Janet Smith | Daughter | Full-time college student, employed | \$600/month wages |
| Kathy Example | Daughter | Full-time junior high school student, employed | \$4.00/hour 8 hours/week wages |
| Chris Doe | Foster child | Full-time elementary student | County pays household \$800/month to care for foster child. |

For Annual Income Calculation – Consider income of all household members:

- Count David's wages
- Count Betsy's wages
- Count child support (Betty)
- Count Janet's wages (> 18 years of age and an adult
- Do not count Kathy's wages (minor < 18 years of age)
- Count Cynthia's Social Security
- Count actual income from assets from all members of the household
- Do not count income payments for care of foster child

When considering assets in the annual income calculation, consider assets of all household members. Therefore Cynthia's checking account balance is considered. In addition, for annual income, the calculation of imputed income from assets must be made if assets exceed \$5,000. In this example, the imputed income is less than the actual income received.

Adjusted Income Calculation:

Dependent Deduction

- Three dependent deductions are permitted for Kathy (a minor), Janet (an adult full-time student, who is not the head of household or spouse), and Cynthia (an adult individual with disabilities, who is not the head of household or spouse)
- A dependent deduction is not given for a foster child.
- Total household members are 5, excluding the foster child.

A deduction of \$1,440 in this example may be deducted (\$480 for each member under 18 years of age; 18 years of age or older and disabled; a full-time student aged 18 or older).

Child Care Deduction

- Child care expenses are permitted for the care of a foster child, but must not exceed the amount earned by the family member enabled to work. Betsy earns \$15.50/hour working 20 hours per week and pays \$50/week for child care.
- Child care expenses are not permitted if another adult household member is available to care for the child. Janet is not available because she is a full-time student and Cynthia cannot care for the child because of her disability.
- The full amount of the child care may be deducted.

Elderly Household Deduction

Even though an elderly person is a part of the household, this is not an elderly household because neither the head nor spouse is 62 years of age or older or an individual with disabilities. If this were an elderly household a deduction of \$400 would be allowed. No deduction can be made in this example.

Medical Expense Deduction

Family medical expenses cannot be deducted since this is not an elderly household.

Disability Assistance Expenses

No disability assistance expenses were claimed. To be allowed a deduction, the expenses would have to be necessary to enable a family member to work.

Repayment Income Calculation – Consider stable and dependable income of parties to the note:

David and Betsy are parties to the note. David has worked the last two years earning \$1,250 per week or \$65,000 annually. Betsy has made \$15.50/hour and worked 20 hours per week for the past five years consistently. Betsy receives child support for Kathy, paid through the court at \$100 a month, or \$1,200 annually. She has received support consistently for the past three years. Kathy is 14. David and Betsy have cared for foster children for the past three years. Chris Doe is 6 years of age. The county pays \$800.00 per month, or \$9,600 annually to the household to care for the foster child.

- David: \$65,000 historical employment income divided by 12 = **\$5,416.67**
- Betsy: \$16,120 historical employment income divided by 12 = **\$1,343.33**
- Betsy: \$1,200 historical child support income divided by 12 = **\$100.00** [3 year continuance since Kathy is 14]
- Total stable and dependable income in accordance with §1980.345 of RD Instruction 1980-D = **\$6,860.00**
- Additional stable and dependable income utilized for repayment: **\$800** foster care income

Rural Development – Guaranteed Rural Housing
Lender's Origination Submission Checklist

Date: _____ | Applicants: _____ | Lender: _____

| GUS ACCEPT | MANUAL UNDERWRITING [Includes GUS Refer/Refer with Caution] | LENDER CREDIT DOCUMENTATION <i>Note: The lender is responsible for maintaining all required documents in the lender's permanent file subject to review by Rural Development.</i> |
|--------------------------|---|--|
| <input type="checkbox"/> | <input type="checkbox"/> | Form RD 1980-21, Request for Single Family Housing Loan Guarantee |
| | | <input type="checkbox"/> Completed and executed by all borrowers and lender. |
| | <input type="checkbox"/> | Underwriting Analysis (FNMA 1008/FHLMC 1077 or similar) |
| | | <input type="checkbox"/> Confirmed/executed by Underwriter |
| | | <input checked="" type="checkbox"/> Credit waiver documented by Lender? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A |
| | | Include documents supporting compensating factors. <u>Note:</u> Waiver required for files that do not qualify for streamlined documentation. |
| | | <input checked="" type="checkbox"/> Ratio waiver request documented by Lender? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A |
| | | <input checked="" type="checkbox"/> Buydown? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A [Include documents supporting compensating factors.] |
| | | <u>Note:</u> GUS ACCEPT loan files with a quality control message requesting a full documentation file submittal <u>do not</u> require a credit or debt ratio waiver. |
| | | GUS Underwriting Findings and Analysis Report |
| | | <u>Note:</u> Reviewed electronically. Not required to print for Rural Development. Last final submission to be printed, retained in lender's permanent loan file. |
| | <input type="checkbox"/> | Uniform Residential Loan Application (URLA – FNMA 1003/FHLMC 65) |
| | | <u>Note:</u> Review URLA electronically for a GUS /ACCEPT. Not required to print. |
| | | <input checked="" type="checkbox"/> Executed by the applicant? <input type="checkbox"/> Yes <input type="checkbox"/> No |
| | | <input checked="" type="checkbox"/> Executed by interviewing lender? <input type="checkbox"/> Yes <input type="checkbox"/> No |
| | <input type="checkbox"/> | Credit Report |
| | | <input type="checkbox"/> Within 120 days of loan closing (purchase existing) |
| | | <input type="checkbox"/> Within 180 days of loan closing (new construction) |
| | <input type="checkbox"/> | Income Verification |
| | | <input type="checkbox"/> Within 120 days of loan closing (purchase existing) |
| | | <input type="checkbox"/> Within 180 days of loan closing (new construction) |
| | | Household income from other adult members: <input type="checkbox"/> Yes <input type="checkbox"/> No |
| | <input type="checkbox"/> | Income Calculation – Annual/Repayment [recommended] |
| <input type="checkbox"/> | <input type="checkbox"/> | Evidence of qualified alien (If the applicant is not a US citizen) |
| | | The use of SAVE is strongly encouraged to confirm. Contact Rural Development. |
| <input type="checkbox"/> | <input type="checkbox"/> | Uniform Residential Appraisal Report (URAR) FNMA 1004/FHLMC 70 |
| | | <input type="checkbox"/> URAR contains 1004 MC (Market Conditions Addendum) |
| | | <input type="checkbox"/> Within 180 days of loan closing (updates in value required) |
| | | <input type="checkbox"/> Clear photos |
| <input type="checkbox"/> | <input type="checkbox"/> | FEMA Form 81-93, Standard Flood Determination Form |
| | <input type="checkbox"/> | Sales Contract |

Rural Development – Guaranteed Rural Housing

Lender's Loan Closing Submission Checklist and Cover for Guarantee Request

DATE: _____ Borrower(s): _____

Lender: _____

Lender Contact information [Contact with information regarding questions on the closing package, missing conditions or corrections]

Name: _____

E-Mail Address: _____

Telephone: _____

Fax: _____

Loan Note Guarantee Delivery - Deliver completed Loan Note Guarantee to:

Regular mail delivery:

Electronically by E-mail:

Attn: _____

| LOAN CLOSING Check Enclosed | LOAN CLOSING Closed with pay.gov No Check Enclosed | LENDER LOAN CLOSING DOCUMENTATION <i>[See §1980.363 of RD Instruction 1980-D]</i> <i>NOTE: The lender is responsible for maintaining all required documents in the lender's permanent file subject to review by Rural Development.</i> |
|--------------------------------|--|---|
| <input type="checkbox"/> | | Form RD 1980-19, Loan Closing Report |
| | | <input type="checkbox"/> Completed and executed by lender |
| <input type="checkbox"/> | | Guarantee Fee |
| | | <input type="checkbox"/> Purchase <input type="checkbox"/> Refinance Payable to USDA or Rural Development |
| <input type="checkbox"/> | <input type="checkbox"/> | Form RD 1980-18, Lender Certification |
| | | <input type="checkbox"/> Completed and executed by lender |
| | | <input type="checkbox"/> Include any Attachment to Form RD 1980-18, if applicable |
| | | <input type="checkbox"/> Attach documentation of required conditions, if applicable |
| <input type="checkbox"/> | <input type="checkbox"/> | Promissory Note, copy |
| | | Loan Amount on Promissory Note is equal to requested guarantee on Conditional Commitment? <input type="checkbox"/> Yes <input type="checkbox"/> No <i>[if No, modifications to Rural Development's data base will be required.]</i> |
| | | Interest rate on Promissory Note is equal to or less than requested rate issued on Conditional Commitment? <input type="checkbox"/> Yes <input type="checkbox"/> No <i>[if No, and ratios exceed thresholds, provide compensating factors to support rate increase. Also provide rate lock date information.]</i> |
| <input type="checkbox"/> | <input type="checkbox"/> | Final HUD-1 Settlement Statement, copy |